



**AGENDA**  
Meeting of the  
**BOARD OF DIRECTORS**  
of the  
**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
A Public Agency

**Tuesday, January 18, 2005**

**8:30 AM**

**Santa Barbara MTD Auditorium**  
550 Olive Street, Santa Barbara, CA 93101

- 1. CALL TO ORDER**
- 2. ROLL CALL OF THE BOARD OF DIRECTORS**  
Chair John Britton; Vice Chair Olivia Rodriguez; Secretary Brian Fahnestock; and Directors:  
David Davis and Lee Moldaver
- 3. REPORT REGARDING POSTING OF AGENDA**

**CONSENT CALENDAR**

- 4. APPROVAL OF PRIOR MINUTES**  
Minutes of the January 4, 2005, Board meeting will be presented at the next regular meeting.
- 5. CASH REPORT (HANDOUT- ACTION MAY BE TAKEN)**  
The Board will be asked to review the cash report from December 28, 2004 through January 10, 2005.

**THIS CONCLUDES THE CONSENT CALENDAR**

- 6. PUBLIC COMMENT**  
Members of the public may address the Board on items within the jurisdiction of the Board that are not scheduled for public hearing. The time allotted per speaker will be at the discretion of the Board Chair. If you wish to address the Board under this item number, please complete and deliver to the MTD Board Clerk **before the meeting is convened**, a "Request to Speak" form including a description of the subject you wish to address.
- 7. QUARTERLY FINANCIAL RESULTS (ATTACHMENT)**  
The Board will be asked to review quarterly financials for the period ending December 31, 2004.
- 8. FY 2004-2005 Budget Revisions (HANDOUT- ACTION MAY BE TAKEN)**

The Board will review revisions to the FY 2004-2005 MTD budget.

9. **VALLEY EXPRESS MARKETING PLAN (ATTACHMENT- ACTION MAY BE TAKEN)**  
David Damiano, Manager of Transit Development and Community Relations will present the Valley Express Marketing Plan to the Board.
10. **VALLEY EXPRESS PERFORMANCE STANDARDS (ATTACHMENT- ACTION MAY BE TAKEN)**  
Steve Maas, Manager of Strategic Planning and Compliance will present the recommended Valley Express Performance Standards to the Board. The Board will then be asked to approve the performance standards.
11. **GENERAL MANAGER REPORT**
  - a) Health Insurance
  - b) New employee- Sarah Glover, Marketing Coordinator
  - c) Soil remediation- Calle Real
  - d) Sea Landing shuttle service
  - e) My Ride passes
  - f) Hybrid buses Line1-2
  - g) 101 operational improvements
  - h) Remembering Mr. William "Bill" Crow
12. **OTHER BUSINESS AND COMMITTEE REPORTS**  
The Board will report on related public transit issues and committee meetings.
13. **RECESS TO CLOSED SESSION-CALLE REAL**  
The Board will meet in closed session pursuant to Government Code §54956.8, conference with real property negotiators regarding the MTD Calle Real Property, APN's Book 59, Page 14, Parcels 4, 5 & 6, and Book 67, Page 23, Parcel 6, concerning price and terms of payment; agency negotiators Doug Large and Bob Andrews; other negotiation parties: Housing Authority of County of Santa Barbara, Martin Farrell Homes, and Investec Capital, Inc.
14. **RECESS TO CLOSED SESSION-GENERAL MANAGER PERFORMANCE/SALARY REVIEW (ACTION MAY BE TAKEN UPON RETURN TO OPEN SESSION)**  
Conference with Labor Negotiators pursuant to Government Code Section 54957.6: SBMTD designated representatives: Brian Fahnestock and Lee Moldaver, unrepresented employee: Sherrie Fisher, General Manager.
15. **ADJOURNMENT**

**AMERICANS WITH DISABILITIES ACT:** If you need special assistance to participate in this meeting, please contact the MTD Administrative Office at 963-3364 at least **48 hours in advance** of the meeting to allow time for MTD to attempt a reasonable accommodation.

January 14, 2005

The cash report for the period of December 28, 2004 through January 10, 2005, will be e-mailed or mailed in a follow-up mailing. Copies will also be available at the January 18, 2005, Board meeting.

Sorry for the inconvenience.

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## BALANCE SHEET

For the Period Ending December 31, 2004

### ASSETS

#### *CURRENT ASSETS*

CASH & CASH ITEMS	4,297,777	
SHORT TERM INVESTMENTS	0	
RECEIVABLES	65,742	
MATERIALS & SUPPLIES INVENTORY	765,486	
PREPAYMENTS	132,980	
		5,261,986

#### *NON-CURRENT ASSETS*

WORK IN PROCESS	438,851	
LAND	5,624,064	
FIXED FACILITIES	12,404,388	
BUSES	32,250,322	
NON-REVENUE VEHICLES	474,999	
SHOP EQUIPMENT	358,925	
OFFICE FIXTURES/EQUIPMENT	1,333,103	
BUS STOP EQUIPMENT	603,333	
EV RESEARCH & DEVELOPMENT	386,489	
ACCUMULATED DEPRECIATION	19,654,009	
		34,220,466

#### **TOTAL ASSETS**

\$39,482,451

### LIABILITIES

#### *CURRENT LIABILITIES*

TRADE PAYABLES	297,670	
PAYROLL LIABILITIES	1,220,230	
OTHER CURRENT LIABILITIES	1,721,462	
		3,239,362

#### *NON-CURRENT LIABILITIES*

TDA DEFERRED CREDITS	6,006,059	
		6,006,059

\$9,245,421

### CAPITAL

#### *FEDERAL CAPITAL*

FEDERAL GRANTS	24,777,660	
		24,777,660

#### *TDA & OTHER CAPITAL*

TDA & OTHER CAPITAL	6,225,787	
		6,225,787

\$31,003,448

#### **YTD NET GAIN (LOSS)**

(\$766,417)

#### **TOTAL LIABILITIES & CAPITAL**

\$39,482,451

**Santa Barbara Metropolitan Transit District**  
**Operating & Capital Budget**  
**Period Ending December 31, 2004**

	<b>ACTUAL FY 04/05</b>	<b>BUDGET FY 04/05</b>	<b>PRIOR FY 03/04</b>
<b>OPERATING REVENUE</b>			
Passenger Fares	\$3,109,651	\$2,998,506	\$2,949,508
Federal Operating Assistance	0	0	0
Property Tax Revenue	369,621	369,971	344,993
Local Operating Assistance	154,920	156,356	190,547
Non-Transportation Income	190,373	167,227	156,340
Sales Tax Revenue (TDA)	3,147,420	3,137,354	3,035,415
<b>Total Operating Revenue</b>	<b>\$6,971,985</b>	<b>\$6,829,414</b>	<b>\$6,676,803</b>
<b>OPERATING EXPENSE</b>			
Route Operations	\$4,599,424	\$4,473,466	\$4,141,065
Vehicle Maintenance	1,680,677	1,901,529	1,636,244
Passenger Accommodations	623,645	655,738	665,854
General Overhead	834,656	827,117	1,033,240
<b>Total Operating Expense</b>	<b>\$7,738,402</b>	<b>\$7,857,850</b>	<b>\$7,476,403</b>
<b>CAPITAL REVENUE</b>			
Sales Tax Revenue (TDA)	\$0	\$0	\$0
Other Capital Assistance	0	0	0
State Transit Assistance (TDA)	0	0	0
Federal Capital Assistance	1,566,693	1,566,693	0
<b>Total Capital Revenue</b>	<b>\$1,566,693</b>	<b>\$1,566,693</b>	<b>\$0</b>
<b>CAPITAL PROJECTS</b>			
Haley/Calle Real/Fixed Facilities	\$5,465	\$62,500	\$812,371
Electric Vehicle Projects	0	0	2,538
Calle Real Development	52,498	50,000	36,882
Management Information Systems	86,572	163,508	0
Passenger Facilities & Equipment	12,136	12,500	21,744
Service Vehicles	0	75,000	0
Buses	2,112,956	2,300,456	0
Buses - Radios/Fareboxes/Bike Racks	7,233	0	186,619
Revenue Vehicle Improvements	47,263	151,911	39,745
Shop Equipment	606	20,000	34,871
Office Furniture & Equipment	1,970	5,000	2,266
<b>Total Capital Projects</b>	<b>\$2,326,699</b>	<b>\$2,840,875</b>	<b>\$1,137,036</b>
<b>FUNDING SURPLUS/(DEFICIT)</b>	<b>(\$1,526,423)</b>	<b>(\$2,302,618)</b>	<b>(\$1,936,636)</b>

**Santa Barbara Metropolitan Transit District**  
**Revenue, Expense and Performance Report**  
**Period Ending December 31, 2004**

<b>Category</b>	<b>FY05</b>	<b>FY04</b>	<b>% Change</b>
Total Passenger Fares	\$3,109,651	\$2,949,508	5.43%
Passenger Fares (Non-Contracted Service)	\$2,010,634	\$1,925,754	4.41%
Passenger Fares (Contracted Service)	\$1,099,017	\$1,023,754	7.35%
Total Operating Expense	\$7,738,402	\$7,476,403	3.50%
 Total Passengers	 3,498,296	 3,482,431	 0.46%
Route Passengers	3,206,787	3,171,302	1.12%
Shuttle Passengers	291,509	311,129	-6.31%
Revenue Hours	85,513	86,601	-1.26%
Revenue Miles	1,140,529	1,165,110	-2.11%
 Farebox Ratio	 40.2%	 39.5%	 1.86%
Cost/Passenger	\$2.21	\$2.15	3.03%
Cost/Hour	\$90.49	\$86.33	4.82%
Cost/Mile	\$6.78	\$6.42	5.74%
Passenger/Hour	40.91	40.21	1.73%
Passenger/Mile	3.07	2.99	2.62%

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## ROUTE OPERATIONS

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b>DRIVERS</b>					
<b>WAGES</b>					
Scheduled	2,003,552	2,053,488	(49,936)	1,968,313	35,239
Scheduled OT	52,546	36,968	15,577	52,305	240
Unscheduled	48,497	29,891	18,606	36,774	11,722
<b>FRINGE BENEFITS</b>					
FICA - Drivers	187,300	184,862	2,437	177,706	9,594
Pension - Drivers	274,666	293,891	(19,225)	279,159	(4,492)
Health Insurance - Drivers	311,519	257,259	54,259	242,100	69,419
Sick Pay - Drivers	91,715	61,805	29,910	43,271	48,444
Vacation - Drivers	160,007	173,868	(13,862)	156,241	3,765
Holiday Pay - Drivers	97,171	113,010	(15,839)	96,970	201
Other Pay - Drivers	6,010	6,636	(627)	6,803	(793)
Unemployment Insurance - Drivers	729	630	99	577	152
Uniforms - Drivers	10,606	9,000	1,606	5,150	5,456
	<u>\$ 3,244,316</u>	<u>\$ 3,221,310</u>	<u>\$ 23,006</u>	<u>\$ 3,065,371</u>	<u>\$ 178,945</u>
<b>DISPATCH &amp; SUPERVISION</b>					
<b>WAGES</b>					
Supervisors - Dispatch & Supervision	58,298	71,973	(13,675)	64,529	(6,231)
Staff - Dispatch & Supervision	48,976	56,869	(7,893)	56,802	(7,826)
<b>FRINGE BENEFITS</b>					
FICA - Dispatch & Supervision	9,908	11,381	(1,473)	10,102	(193)
Pension - Dispatch & Supervision	11,916	14,256	(2,340)	11,871	46
Health Insurance - Dispatch & Supervi	16,465	17,335	(870)	18,996	(2,531)
Sick Pay - Dispatch & Supervision	1,409	1,261	148	7,696	(6,287)
Vacation - Dispatch & Supervision	12,221	14,057	(1,836)	13,686	(1,465)
Holiday Pay - Dispatch & Supervision	5,326	5,891	(565)	5,006	321
Other Pay - Dispatch & Supervision	427	491	(64)	154	273
	<u>\$ 164,948</u>	<u>\$ 193,515</u>	<u>(\$ 28,567)</u>	<u>\$ 188,841</u>	<u>(\$ 23,893)</u>
<b>HIRING &amp; TRAINING</b>					
<b>WAGES</b>					
Staff - Hiring & Training	15,992	30,450	(14,458)	0	15,992
Student Drivers	176	3,859	(3,683)	379	(204)
Existing Drivers/Supervisors Training	24,167	17,930	6,237	40,407	(16,241)
<b>FRINGE BENEFITS</b>					
FICA - Hiring & Training	3,415	4,403	(987)	3,141	275
Pension - Hiring & Training	1,931	1,497	434	0	1,931
Health Insurance - Hiring & Training	3,270	4,385	(1,115)	295	2,975
Sick Pay - Hiring & Training	0	234	(234)	0	0
Vacation - Hiring & Training	2,077	2,928	(851)	0	2,077
Holiday Pay - Hiring & Training	1,246	2,342	(1,096)	0	1,246
Other Pay - Hiring & Training	0	195	(195)	0	0
Unemployment Insurance - Hiring & Tr	0	13	(13)	0	0
Medical & Driving Exams (RO)	8,856	10,065	(1,209)	10,963	(2,107)

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## ROUTE OPERATIONS

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
Employment Ads	2,004	2,896	(892)	2,234	(230)
Training, Travel & Meetings (RO)	301	1,400	(1,099)	470	(170)
	<u>\$ 63,436</u>	<u>\$ 82,598</u>	<u>(\$ 19,162)</u>	<u>\$ 57,889</u>	<u>\$ 5,546</u>
<b>RISK &amp; SAFETY</b>					
WAGES					
Staff - Risk & Safety	26,389	36,462	(10,073)	34,294	(7,905)
Supervisors - Risk & Safety	92,944	76,024	16,919	77,828	15,116
Driver Accident Pay	542	761	(219)	500	41
FRINGE BENEFITS					
FICA - Risk & Safety	9,416	9,149	267	9,216	200
Pension - Risk & Safety	8,270	9,159	(889)	8,239	32
Health Insurance - Risk & Safety	13,872	10,415	3,457	11,244	2,628
Sick Pay - Risk & Safety	115	759	(644)	884	(768)
Vacation - Risk & Safety	5,022	7,253	(2,231)	6,112	(1,091)
Holiday Pay - Risk & Safety	4,460	3,440	1,019	3,613	847
Other Pay - Risk & Safety	0	287	(287)	175	(175)
LIABILITY COSTS					
Liability - Professional Services	16,898	40,751	(23,852)	32,392	(15,494)
Liability Insurance	79,776	84,571	(4,795)	66,013	13,763
Liability CY Payouts	5,058	12,500	(7,442)	2,095	2,963
Liability CY Reserves	200,018	5,000	195,018	(994)	201,012
Liability PY Payouts	1,850	2,500	(650)	0	1,850
Change in PY Liability Reserves	(714)	(500)	(214)	998	(1,712)
WORKERS COMP COSTS					
WC Professional Services (RO)	126,114	126,492	(379)	104,489	21,625
WC Insurance (RO)	55,547	51,059	4,487	27,097	28,450
WC CY Incident Payouts (RO)	5,126	27,500	(22,374)	17,967	(12,842)
WC CY Incident Reserves (RO)	69,908	67,500	2,408	35,062	34,846
WC PY Incidents Payouts (RO)	297,492	325,000	(27,508)	352,289	(54,797)
Change In WC PY Incident Reserves (	(39,346)	(100,000)	60,654	(120,363)	81,018
Miscellaneous Risk & Safety	3,272	3,812	(541)	980	2,292
<b>CONTRACTED TRANSPORTATION</b>					
Paratransit Subsidy	144,696	176,147	(31,452)	158,834	(14,139)
	<u>\$ 1,126,724</u>	<u>\$ 976,043</u>	<u>\$ 150,681</u>	<u>\$ 828,964</u>	<u>\$ 297,760</u>
<b>ROUTE OPERATIONS</b>	<u>\$ 4,599,424</u>	<u>\$ 4,473,466</u>	<u>\$ 125,958</u>	<u>\$ 4,141,065</u>	<u>\$ 458,359</u>



# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## VEHICLE MAINTENANCE

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b>MECHANICS</b>					
WAGES					
Mechanics	305,876	337,313	(31,437)	298,653	7,222
Mechanics-Overtime	1,693	1,691	2	1,867	(175)
FRINGE BENEFITS					
FICA - Mechanics	26,488	28,796	(2,308)	25,696	792
Pension - Mechanics	33,429	37,367	(3,937)	33,337	92
Health Insurance - Mechanics	34,607	35,124	(517)	26,233	8,375
Sick Pay - Mechanics	4,040	6,426	(2,386)	8,135	(4,094)
Vacation - Mechanics	18,984	20,008	(1,024)	16,595	2,390
Holiday Pay - Mechanics	14,770	16,234	(1,464)	14,740	30
Other Pay - Mechanics	356	1,353	(997)	175	181
Uniforms - Mechanics	4,182	2,425	1,757	3,959	223
Tool Allowance - Mechanics	3,200	4,800	(1,600)	4,800	(1,600)
	<u>\$ 447,626</u>	<u>\$ 491,535</u>	<u>(\$ 43,910)</u>	<u>\$ 434,190</u>	<u>\$ 13,436</u>
<b>CLEANERS &amp; FUELERS</b>					
WAGES					
Service Workers - Cleaners & Fuelers	148,968	159,805	(10,837)	142,969	6,000
FRINGE BENEFITS					
FICA - Cleaners & Fuelers	12,694	13,179	(485)	12,143	551
Pension - Cleaners & Fuelers	22,285	27,800	(5,515)	22,341	(56)
Health Insurance - Cleaners & Fuelers	36,553	28,099	8,454	30,897	5,656
Sick Pay - Cleaners & Fuelers	1,258	1,898	(640)	1,734	(476)
Vacation - Cleaners & Fuelers	8,929	6,812	2,117	8,986	(57)
Holiday Pay - Cleaners & Fuelers	7,135	7,909	(773)	6,988	148
Other Pay - Cleaners & Fuelers	706	290	416	502	204
Unemployment Insurance - Cleaners	315	98	217	147	168
Uniforms - Cleaners & Fuelers	2,163	1,638	525	1,612	551
Medical Exams/DMV Fees-VM	1,335	1,997	(661)	2,773	(1,438)
	<u>\$ 242,344</u>	<u>\$ 249,525</u>	<u>(\$ 7,181)</u>	<u>\$ 231,092</u>	<u>\$ 11,252</u>
<b>SHOP SUPERVISION</b>					
WAGES					
Staff - Maintenance Supervision	96,246	122,576	(26,329)	78,356	17,890
FRINGE BENEFITS					
FICA - Supervision Vehicle Mainten	8,428	10,311	(1,883)	7,604	824
Pension - Supervision Vehicle Maint	10,943	13,479	(2,537)	8,406	2,537
Health Insurance - Supervision/Vehicl	19,292	24,066	(4,774)	12,796	6,495
Sick Pay - Supervision Vehicle Mainte	193	821	(628)	5,775	(5,582)
Vacation - Supervision Vehicle Mainte	7,788	6,130	1,658	10,257	(2,469)
Holiday Pay - Supervision Vehicle Mai	5,636	5,747	(110)	4,479	1,158
Other Pay - Supervision & Vehicle Mai	313	479	(166)	538	(225)
Training & Meetings-VM	440	2,500	(2,060)	0	440

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## VEHICLE MAINTENANCE

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b>FUEL, LUBRICANTS AND TIRES</b>					
Bus Tire Mounting	3,055	6,500	(3,445)	5,731	(2,676)
Fuel and Lubes - Buses	427,875	464,031	(36,157)	320,902	106,973
Electric Bus Power	41,066	34,800	6,266	31,005	10,061
Lease Cost - Tires Buses	81,455	63,132	18,323	59,317	22,138
<b>VEHICLE PARTS AND SUPPLIES</b>					
Vehicle Parts - Buses	218,240	273,902	(55,661)	329,604	(111,364)
Shop Supplies	23,133	27,500	(4,367)	28,763	(5,630)
Bus Cleaning Supplies	4,606	5,000	(394)	2,449	2,158
Hazmat Disposal/Tank Tests	7,085	3,400	3,685	4,032	3,053
<b>OUTSIDE VEHICLE MAINTENANCE</b>					
Vendor Vandalism Repairs	2,760	7,500	(4,740)	484	2,276
Vendor Accident Repairs	6,448	3,000	3,448	2,509	3,939
Less Monies Collected/Accident Colle	(38)	(1,000)	962	(129)	91
Vendor Bus Repairs	12,395	10,000	2,395	5,977	6,418
<b>RISK AND SAFETY</b>					
WC Professional Services (VM)	14,893	6,657	8,235	15,300	(408)
WC Insurance (VM)	2,923	2,687	236	1,426	1,497
WC CY Payouts (VM)	0	1,375	(1,375)	170	(170)
WC CY Incident Reserves (VM)	0	3,375	(3,375)	0	0
WC PY Incidents Payouts (VM)	46,351	100,000	(53,649)	59,004	(12,654)
Change in WC PY Incident Reserves (	(50,819)	(37,500)	(13,319)	(23,795)	(27,024)
	<u>\$ 990,708</u>	<u>\$ 1,160,468</u>	<u>(\$ 169,761)</u>	<u>\$ 970,962</u>	<u>\$ 19,746</u>
<b>VEHICLE MAINTENANCE</b>	<u><u>\$ 1,680,677</u></u>	<u><u>\$ 1,901,529</u></u>	<u><u>(\$ 220,852)</u></u>	<u><u>\$ 1,636,244</u></u>	<u><u>\$ 44,433</u></u>

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## PASSENGER FACILITIES

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b>PASSENGER FACILITIES</b>					
WAGES					
Supervisors - Passengers Facilities	52,527	50,381	2,146	48,673	3,855
TC Advisors	47,150	46,451	699	44,379	2,771
Staff - Passenger Facilities (Bus Stop	43,400	40,314	3,085	39,488	3,911
FRINGE BENEFITS					
FICA - Passenger Facilities	12,838	11,719	1,119	10,980	1,858
Pension - Passenger Facilities	11,128	11,358	(230)	9,506	1,622
Health Insurance - Passenger Facilitie	22,171	18,071	4,100	20,425	1,746
Sick Pay - Passenger Facilities	3,239	2,016	1,223	1,787	1,452
Vacation - Passenger Facilities	12,093	9,311	2,782	7,967	4,125
Holiday Pay - Passenger Facilities	5,412	5,343	69	5,196	216
Other Pay - Passenger Facilities	276	783	(507)	181	96
Unemployment Insurance - Passenger	119	103	16	0	119
BUILDINGS AND GROUNDS					
Property Insurance (PF)	967	894	72	1,026	(59)
Contract Maint-PF	19,223	19,104	119	19,878	(655)
B&G Repairs & Supplies (PF)	1,949	2,400	(451)	2,801	(852)
Bus Stop Repairs & Supplies	4,669	7,180	(2,511)	5,593	(925)
	<u>\$ 237,161</u>	<u>\$ 225,429</u>	<u>\$ 11,732</u>	<u>\$ 217,881</u>	<u>\$ 19,280</u>
<b>TRANSIT DEVELOPMENT</b>					
WAGES					
Staff - Transit Development	78,963	78,400	563	98,144	(19,181)
FRINGE BENEFITS					
FICA - Transit Development	7,284	6,621	663	8,811	(1,526)
Pension - Transit Development	9,612	8,655	957	8,201	1,412
Health Insurance - Transit Developme	13,068	13,709	(641)	14,621	(1,553)
Sick Pay - Transit Development	1,264	493	771	540	723
Vacation - Transit Development	9,193	4,950	4,243	10,950	(1,756)
Holiday Pay - Transit Development	5,167	2,958	2,209	4,400	767
Other Pay - Transit Development	635	246	388	1,135	(500)
SERVICE PLANNING					
Planning Studies & Surveys	0	5,200	(5,200)	18,135	(18,135)
	<u>\$ 125,187</u>	<u>\$ 121,234</u>	<u>\$ 3,953</u>	<u>\$ 164,935</u>	<u>(\$ 39,748)</u>
<b>PROMOTION &amp; INFORMATION</b>					
WAGES					
Staff - Promotion & Information	74,337	89,045	(14,708)	87,520	(13,184)
FRINGE BENEFITS					
FICA - Promotion & Information	6,695	7,505	(810)	7,602	(908)
Pension - Promotion & Information	8,581	9,810	(1,229)	4,197	4,384
Health Insurance - Promotion & Inform	12,293	13,816	(1,523)	13,079	(786)
Sick Pay - Promotion & Information	436	1,132	(696)	1,664	(1,228)
Vacation - Promotion & Information	9,216	3,773	5,443	4,988	4,228
Holiday Pay - Promotion & Information	2,895	4,528	(1,633)	4,433	(1,539)
Other Pay - Promotion & Information	625	377	247	769	(145)

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## PASSENGER FACILITIES

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
PROMOTIONS					
Media Ad Placement (MA)	12,767	22,500	(9,733)	10,647	2,120
Brochures & Publications (BP)	0	3,500	(3,500)	3,718	(3,718)
Bus/Shuttle Decorations (BD)	2,022	7,500	(5,478)	3,121	(1,099)
INFORMATION					
Other Promotions (OP)	2,164	3,750	(1,586)	3,320	(1,156)
Route Schedules & Information (RI)	46,109	43,250	2,859	39,393	6,717
	<u>\$ 178,139</u>	<u>\$ 210,485</u>	<u>(\$ 32,346)</u>	<u>\$ 184,451</u>	<u>(\$ 6,312)</u>
FARE REVENUE COLLECTION					
WAGES					
Staff - Fare Revenue Collection	20,265	22,590	(2,326)	21,482	(1,217)
FRINGE BENEFITS					
FICA - Fare Revenue & Collection	1,722	1,980	(258)	1,790	(67)
Pension - Fare Revenue Collection	2,464	2,402	62	2,243	221
Health Insurance - Fare Revenue Coll	4,141	4,385	(244)	4,202	(61)
Sick Pay - Fare Revenue Collection	0	173	(173)	0	0
Vacation - Fare Revenue & Collection	1,194	2,164	(970)	915	279
Holiday Pay - Fare Revenue Collectio	1,194	1,039	155	998	196
Other Pay - Fare Revenue Collection	0	86	(86)	0	0
Tickets and Transfers	6,708	25,394	(18,685)	30,143	(23,435)
Farebox Parts & Repairs	16,522	9,000	7,522	9,293	7,229
Fare Processing	28,948	29,378	(429)	27,521	1,427
	<u>\$ 83,158</u>	<u>\$ 98,591</u>	<u>(\$ 15,433)</u>	<u>\$ 98,587</u>	<u>(\$ 15,429)</u>
PASSENGER FACILITIES	<u>\$ 623,645</u>	<u>\$ 655,738</u>	<u>(\$ 32,094)</u>	<u>\$ 665,854</u>	<u>(\$ 42,210)</u>

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## GENERAL OVERHEAD

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b>FINANCE</b>					
<b>WAGES</b>					
Staff - Accounting	105,664	106,857	(1,193)	165,200	(59,536)
<b>FRINGE BENEFITS</b>					
FICA - Accounting	9,252	9,020	232	14,905	(5,652)
Pension - Accounting	11,959	11,791	168	19,004	(7,045)
Health Insurance - Accounting	21,219	22,418	(1,200)	30,239	(9,020)
Sick Pay - Accounting	183	1,950	(1,767)	4,361	(4,178)
Vacation - Accounting	7,921	6,628	1,293	15,491	(7,571)
Holiday Pay - Accounting	6,327	2,702	3,625	8,488	(2,162)
Other Pay - Accounting	852	225	627	1,807	(955)
	<u>\$ 163,377</u>	<u>\$ 161,593</u>	<u>\$ 1,785</u>	<u>\$ 259,496</u>	<u>(\$ 96,118)</u>
<b>PERSONNEL</b>					
<b>WAGES</b>					
Staff - Personnel	12,543	12,169	374	10,531	2,013
<b>FRINGE BENEFITS</b>					
FICA - Personnel	1,105	1,064	41	908	197
Pension - Personnel	1,634	1,391	243	1,627	7
Health Insurance - Personnel	1,668	2,310	(643)	2,215	(548)
Sick Pay - Personnel	0	105	(105)	13	(13)
Vacation - Personnel	1,159	1,054	105	519	640
Holiday Pay - Personnel	738	632	105	623	115
Other Pay - Personnel	0	53	(53)	175	(175)
<b>UTILITIES</b>					
Telephone & Data Communication	32,273	33,204	(931)	36,819	(4,545)
Power, Water, and Trash	57,083	60,282	(3,199)	71,500	(14,417)
Two-Way Radios	7,716	8,397	(681)	8,230	(514)
	<u>\$ 115,919</u>	<u>\$ 120,662</u>	<u>(\$ 4,743)</u>	<u>\$ 133,159</u>	<u>(\$ 17,240)</u>
<b>OPERATING FACILITIES</b>					
<b>WAGES</b>					
Staff - Operations/Facilities	15,510	16,928	(1,418)	17,369	(1,859)
<b>FRINGE BENEFITS</b>					
FICA - Operating Facilities	1,410	1,418	(8)	1,400	10
Pension - Operating Facilities & Equip	1,830	1,854	(25)	(1,278)	3,107
Health Insurance - Operating Facilities	2,221	2,343	(122)	2,320	(100)
Sick Pay - Operating Facilities & Equi	1,181	140	1,041	104	1,078
Vacation - Operating Facilities & Equi	759	702	56	0	759
Holiday Pay - Operating Facilities & E	984	843	141	827	157
Other Pay - Operating Facilities & Equ	0	71	(71)	0	0
<b>SERVICE VEHICLES</b>					
Service Vehicle Parts & Repairs	5,730	10,870	(5,140)	9,707	(3,977)
Fuel - Services Vehicles	11,422	10,500	922	13,136	(1,714)
<b>BUILDINGS &amp; GROUNDS</b>					
Property Insurance (OF)	8,701	8,048	653	9,233	(532)

# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## GENERAL OVERHEAD

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
Contract Maint-OF	21,570	23,605	(2,035)	28,435	(6,865)
B&G Repairs & Supplies-(OF)	21,005	16,600	4,405	13,926	7,079
	<u>\$ 92,322</u>	<u>\$ 93,924</u>	<u>(\$ 1,602)</u>	<u>\$ 95,179</u>	<u>(\$ 2,857)</u>
<b>DISTRICT ADMINISTRATION</b>					
<b>WAGES</b>					
Staff - District Administration	127,062	120,257	6,805	152,842	(25,780)
<b>FRINGE BENEFITS</b>					
FICA - District Administration	8,705	10,388	(1,683)	10,468	(1,763)
Pension - District Administration	13,748	13,578	169	26,272	(12,525)
Health Insurance - District Administrati	17,866	16,254	1,612	28,209	(10,343)
Health Insurance - Retiree & Cobra	18,944	16,643	2,301	13,767	5,177
Sick Pay - District Administration	972	825	146	29,712	(28,740)
Vacation - District Administration	6,499	10,160	(3,660)	29,773	(23,274)
Holiday Pay - District Administration	7,775	4,953	2,822	7,212	563
Other Pay - District Administration	1,081	413	668	1,278	(197)
Unemployment - District Administratio	161	206	(45)	97	64
<b>ADMINISTRATIVE SERVICES</b>					
Public Official Insurance	16,736	15,170	1,566	11,003	5,733
Legal Counsel	15,044	42,500	(27,456)	31,083	(16,040)
Pension Administration	4,015	5,950	(1,935)	4,559	(544)
Audit - Public Costs	36,500	36,000	500	36,000	500
Directors Fees	5,400	6,150	(750)	4,740	660
Office Machines Repair & Maintenanc	6,021	16,062	(10,041)	9,997	(3,977)
Miscellaneous Services	66,986	54,950	12,036	12,915	54,071
<b>MISCELLANEOUS EXPENSES</b>					
Conferences, Meetings & Training	3,297	5,500	(2,203)	3,210	88
Bus Ad Revenue Program	2,668	4,500	(1,832)	4,782	(2,114)
Mandated Fees and Permits	18,798	20,200	(1,402)	78,923	(60,125)
Office & Computer Supplies	21,430	15,000	6,430	13,396	8,035
Dues & Subscriptions	12,312	17,000	(4,688)	12,738	(426)
Employee Relations	9,880	11,850	(1,970)	10,698	(818)
Miscellaneous Expenses	4,488	6,430	(1,942)	11,730	(7,242)
Interest Expenses	36,649	0	36,649	0	36,649
	<u>\$ 463,038</u>	<u>\$ 450,939</u>	<u>\$ 12,099</u>	<u>\$ 545,405</u>	<u>(\$ 82,368)</u>
<b>GENERAL OVERHEAD</b>	<u>\$ 834,656</u>	<u>\$ 827,117</u>	<u>\$ 7,539</u>	<u>\$ 1,033,240</u>	<u>(\$ 198,583)</u>

**SANTA BARBARA METROPOLITAN TRANSIT DISTRICT**  
**OPERATING EXPENDITURES**  
**For the Period Ending December 31, 2004**

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b><i>ROUTE OPERATIONS</i></b>					
DRIVERS	3,244,316	3,221,310	23,006	3,065,371	178,945
DISPATCH & SUPERVISION	164,948	193,515	(28,567)	188,841	(23,893)
HIRING & TRAINING	63,436	82,598	(19,162)	57,889	5,546
RISK & SAFETY	982,028	799,895	182,133	670,129	311,899
CONTRACTED TRANSPORTATION	144,696	176,147	(31,452)	158,834	(14,139)
<b><i>SUBTOTAL</i></b>	<b><u>\$ 4,599,424</u></b>	<b><u>\$ 4,473,466</u></b>	<b><u>\$ 125,958</u></b>	<b><u>\$ 4,141,065</u></b>	<b><u>\$ 458,359</u></b>
<b><i>VEHICLE MAINTENANCE</i></b>					
MECHANICS	447,626	491,535	(43,910)	434,190	13,436
CLEANERS & FUELERS	242,344	249,525	(7,181)	231,092	11,252
SHOP SUPERVISION	149,279	186,109	(36,829)	128,213	21,067
FUEL, LUBRICANTS AND TIRES	553,450	568,463	(15,013)	416,955	136,495
VEHICLE PARTS AND SUPPLIES	253,065	309,801	(56,736)	364,848	(111,783)
OUTSIDE VEHICLE MAINTENANCE	21,565	19,500	2,065	8,841	12,723
RISK AND SAFETY	13,348	76,595	(63,247)	52,105	(38,757)
<b><i>SUBTOTAL</i></b>	<b><u>\$ 1,680,677</u></b>	<b><u>\$ 1,901,529</u></b>	<b><u>\$ 220,852)</u></b>	<b><u>\$ 1,636,244</u></b>	<b><u>\$ 44,433</u></b>
<b><i>PASSENGER FACILITIES</i></b>					
PASSENGER FACILITIES	237,161	225,429	11,732	217,881	19,280
TRANSIT DEVELOPMENT	125,187	121,234	3,953	164,935	(39,748)
PROMOTION & INFORMATION	178,139	210,485	(32,346)	184,451	(6,312)
FARE REVENUE COLLECTION	83,158	98,591	(15,433)	98,587	(15,429)
<b><i>SUBTOTAL</i></b>	<b><u>\$ 623,645</u></b>	<b><u>\$ 655,738</u></b>	<b><u>(\$ 32,094)</u></b>	<b><u>\$ 665,854</u></b>	<b><u>(\$ 42,210)</u></b>
<b><i>GENERAL OVERHEAD</i></b>					
FINANCE	163,377	161,593	1,785	259,496	(96,118)
PERSONNEL	18,847	18,779	68	16,611	2,236
OPERATING FACILITIES	92,322	93,924	(1,602)	95,179	(2,857)
DISTRICT ADMINISTRATION	463,038	450,939	12,099	545,405	(82,368)
UTILITIES	97,072	101,883	(4,811)	116,548	(19,476)
<b><i>SUBTOTAL</i></b>	<b><u>\$ 834,656</u></b>	<b><u>\$ 827,117</u></b>	<b><u>\$ 7,539</u></b>	<b><u>\$ 1,033,240</u></b>	<b><u>\$ 198,583)</u></b>
<b><i>TOTAL OPERATING COST</i></b>	<b><u>\$ 7,738,402</u></b>	<b><u>\$ 7,857,850</u></b>	<b><u>(\$119,448)</u></b>	<b><u>\$ 7,476,402</u></b>	<b><u>\$ 261,999</u></b>

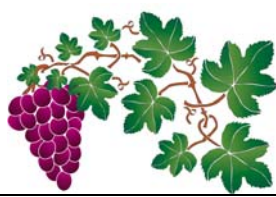
# SANTA BARBARA METROPOLITAN TRANSIT DISTRICT

## REVENUE VARIANCE REPORT

For the Period Ending December 31, 2004

	<u>ACTUAL</u>	<u>BUDGET</u>	<u>VAR (\$)</u>	<u>PRIOR</u>	<u>VAR (\$)</u>
<b>OPERATING REVENUE</b>					
CASH FARES					
Regular Cash Fares	1,396,598	1,374,004	22,594	1,523,700	(127,102)
	<u>\$ 1,396,598</u>	<u>\$ 1,374,004</u>	<u>\$ 22,594</u>	<u>\$ 1,523,700</u>	<u>(\$ 127,102)</u>
TICKETS & TOKENS					
Adult Ten Ride Pass Fares	253,835	271,880	(18,045)	188,038	65,797
Student Ten Ride Pass Fares	108,473	89,867	18,606	102,407	6,066
Senior Ten Ride Pass Fares	16,327	30,345	(14,017)	16,562	(235)
Disabled 10-Ride Pass Fares	23,485	30,345	(6,860)	33,591	(10,106)
Regular Fares - Tokens	29,045	22,342	6,703	20,677	8,368
Adult 30 Days Passports	121,729	69,005	52,725	26,747	94,982
Student 30 Days Passports	17,312	5,934	11,378	4,886	12,426
Senior 30 Days Passports	14,076	9,770	4,306	4,248	9,828
Disabled 30 Days Passports	29,754	9,771	19,983	4,898	24,856
	<u>\$ 614,036</u>	<u>\$ 539,256</u>	<u>\$ 74,780</u>	<u>\$ 402,053</u>	<u>\$ 211,983</u>
CONTRACT FARES					
UCSB Contract Fares	259,265	252,778	6,487	213,420	45,845
City Shuttle Contract Fares	510,914	517,088	(6,174)	553,440	(42,526)
Downtown City My Ride Program Cont	14,715	0	14,715	0	14,715
SBCC Contract Revenue	274,442	276,624	(2,183)	216,356	58,086
Carpinteria Seaside Shuttle Contract F	38,375	38,757	(381)	38,809	(434)
Special Event Fares	1,306	0	1,306	1,729	(423)
	<u>\$ 1,099,017</u>	<u>\$ 1,085,247</u>	<u>\$ 13,770</u>	<u>\$ 1,023,754</u>	<u>\$ 75,263</u>
OPERATING REVENUE SUBTOTAL	<u>\$ 3,109,651</u>	<u>\$ 2,998,506</u>	<u>\$ 111,145</u>	<u>\$ 2,949,508</u>	<u>\$ 160,143</u>
<b>NON OPERATING REVENUE</b>					
NON TRANSPORTATION REVENUE					
Advertising On Buses	165,628	151,977	13,651	139,195	26,433
Interest On Investments	16,411	8,750	7,661	16,301	110
Miscellaneous Revenue	8,334	6,500	1,834	844	7,490
Property Tax Revenue	369,621	369,971	(350)	344,993	24,629
	<u>\$ 559,994</u>	<u>\$ 537,198</u>	<u>\$ 22,796</u>	<u>\$ 501,333</u>	<u>\$ 58,661</u>
SALES TAX REVENUE					
SB325 Local Transportation Fund	3,147,420	3,137,354	10,066	3,035,415	112,005
Local Operating Assistance	154,920	156,356	(1,437)	190,547	(35,628)
	<u>\$ 3,302,339</u>	<u>\$ 3,293,710</u>	<u>\$ 8,630</u>	<u>\$ 3,225,962</u>	<u>\$ 76,377</u>
FEDERAL ASSISTANCE					
Section 9 - Operating	0	0	0	0	0
	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
NON OPERATING REVENUE	<u>\$ 3,862,334</u>	<u>\$ 3,830,908</u>	<u>\$ 31,425</u>	<u>\$ 3,727,295</u>	<u>\$ 135,038</u>
<b>GRAND TOTALS</b>	<u><b>\$ 6,971,985</b></u>	<u><b>\$ 6,829,414</b></u>	<u><b>\$ 142,570</b></u>	<u><b>\$ 6,676,803</b></u>	<u><b>\$ 295,182</b></u>





# VALLEY EXPRESS

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## Marketing Plan

### I. TARGET AUDIENCES

1. **Primary Target Audience:** Commuters from Solvang and Buellton traveling during peak travel times directly to Goleta/Santa Barbara employers such as, Raytheon, UCSB, County Health Campus, SB County, Cities of SB and Goleta, Cottage Hospital (Goleta and Santa Barbara), Hollister business corridor, SBCC.
2. **Secondary Target Audience:**
  - Commuters from outlying communities such as Los Olivos, Los Alamos, Ballard, willing to drive to Buellton/Solvang bus stops, traveling directly to Goleta/Santa Barbara employers such as, Raytheon, UCSB, County Health Campus, SB County, Cities of SB and Goleta, Cottage Hospital (Goleta and Santa Barbara), Hollister business corridor.
  - Day trippers from the Valley looking to spend the entire day in Santa Barbara/Goleta, such as vacationers/residents of the Buellton RV park and residents (esp. seniors) looking for medical and/or shopping in south county.

### II. MARKETING MESSAGE/BRAND

1. **Tag Line:** Valley Express. One more reason why MTD is The Easy Choice!
  - Selected as a sequel to the current KSBY commercial “The Easy Choice”, lending further credibility to the tag line with another (i.e. pocket map, at-stop schedules, new Gilligs) NEW product/service (i.e. Valley Express and MCI coaches)
2. **Headline(s):** TBD – call to action
3. **Imagery:** Based on survey results from over 300 potential passengers living in the Valley, the image of “burgundy-colored grapes and green grape leaves” will be the foundation of the Valley Express brand. This imagery evokes the theme of the Valley with its many ranches and wineries.
4. **Must Airs:**
  - **Service convenience, efficiency**
  - **Comfort and amenities of new coaches:** reclining cloth seats, overhead lights, coffee mug holders
  - **Cost savings to driving alone** via cost calculator to post on website
  - **Guaranteed Ride Home Program:** help employers/employees to understand and enroll in Traffic Solutions program by bringing appropriate forms to “test seat” tours and HR visits when selling initial sets of passes

- **Commuter Choice Program:** help employers to understand and utilize pre-tax benefits for employers and employees
- **Pass purchasing convenience:** work with employers to make passes available on-jobsite via “buy on consignment” and/or “pre-pay” program. Educate on ease of “passes by mail” form conveniently available on MTD’s website.
- **MTD WILL get you home:** address concern if bus is full (i.e. no seats) upon bus stop approach. This concern comes from Clean Air formerly being subscription service and patrons belief of a “confirmed seat”.

### III. MARKETING MEDIUMS

#### 1. Individualized Marketing:

- Emails are currently and will continue to be sent to over 200 potential passengers that provided their contact information after completing MTD’s survey.
- “Test Seat Tour” at large employers consisting of MTD bringing a NEW MCI coach so that potential passengers can take a “test sit”. The tour will also include route/schedule brochure; chance to win raffles, education of the Commuter Choice program, FREE News-Press papers, etc.
- Outreach to Daytripper audience typical places visited: Place information/brochures in senior recreation centers, post offices especially Solvang Buellton and the motorhome park in Buellton.
- **Traditional Media:**
- **Radio:** KRAZY Country (105.9)/MIX (96.7) and KRUZ (103.3) to reach commuters and daytime listeners in Santa Barbara/Goleta
  - \$10,000 budget for initial launch, Feb-Apr
  - Both KRAZY/MIX and KRUZ have agreed to do a live-remotes on the first day of service with DJ’s riding in on the bus.
- **TV:** KSBY (NBC Ch. 6) due to “reach” into Santa Ynez Valley and existing annual contract in place
  - Approx. \$800/mo contract to run mid-Jan. through May (end of annual contract)
- **Display Ads:** In local Santa Ynez Valley News and SBNP newspaper Friday insert, “Valley Living”
  - Approx. \$3,500 budget for initial launch, Feb-Apr
- **Employer/Community Newsletters/Bulletin Boards:** We will work with large employers to get articles in their company newsletters and large format flyers in their break rooms/bulletin boards for their employees. Also, City newsletters such as The Buellton Banner, etc.

#### 2. Earned Media

- Morning Commuter Show interviews on Knight Broadcasting and Cumulus radio stations.
- Media event to encourage earned media in all of the local press, and TV.

### IV. PROMOTIONAL INCENTIVES

**1. Introductory Discount Pass Program:** After researching what other transit agencies do upon new service launches AND considering the feedback from recently surveyed potential passengers the following program is suggested:

- **Free Rides:** To All passengers during the first two weeks of service.
  - MTD will honor Clean Air Express passes for the Month of February.
- **Discounted Passes:** Work with employers to offer the passes on-site and encourage them to extend a discount to their employees (i.e. \$20 off the 30-Day or \$5 off the 10-Ride) and/or (i.e. Cottage offers a 50% subsidy).

**2. Sponsoring Partners**

- **Hot Spots** providing coffee mugs with the Valley Express logo on the front and Hot Spots on the back (currently in production). The mugs will be distributed to passengers during the introductory phase and will include a coupon for a free cup of coffee.
- **Free News-Press Newspapers** initially for two weeks and maybe longer depending on how the promotion is going on board all four buses.
  - SBNP Contacts: Kathy Knobbe: 564-5285, cel: 331-6126, kknobbe@newspress.com  
Graham Browne: 564-5228, gbrown@newspress.com  
Colette Wheeler, 564-5166, cwheeler@newspress.com
  - Papers to be delivered to Buell Flat Rock (yard where buses are being stored), 1214 Mission Drive, Solvang by 5:30am, Mon-Friday.
- **News-Press Discount Offers coupled with pass sales:** This can be handled by MTD via every pass sale, whether individual at TC, on-line, or bulk purchases sent to employers would also be sent same number of SBNP discount offers.
- **Knight Broadcasting Live-Remotes:** While MTD will pay for :60 second spots, Knight is committed to doing at least one live-remote and bringing Valley Express brochures, materials, etc at ALL remotes/events held by the stations through April 2005.

**3. Incentive Drawings**

- When the bus is taken out on the "test seat" tours individuals will be entered into a drawing to win a free Vintage Club membership at Brander Winery, free SBNP subscriptions, and 30-Day passes.
- Larger employers will be requested to donate a day off with pay or other incentives for employees who learn more about the bus by taking a "test seat". This portion of the drawing will be held at the time of the "test seat" tour and all names will be retained for the final MTD drawing held in the future.

#### 4. Grand Opening First Day of Service

- MTD representatives and possibly sponsors (SBNP, Hot Spots) on-site at both bus stops to greet new passengers.
- Mayor and Council members from Solvang and Buellton
- Members of the media.
- Coffee provided via a local coffee-vendor and/or Hot Spots with use of Hot Spots/Valley Express travel mugs
- Newspapers provided FREE (as noted above)

#### V. ADVERTISING PROGRAM ON VALLEY EXPRESS

- **Exterior Advertising:** The following program has been discussed with Knight Broadcasting who intends on purchasing as many as 12 months of Tails. SB News-Press is also expressing interest.

2004/2005 Rates	1-5 month	6-11 month	Annual
<b>4 MCI COACHES:</b>	<i>full fleet</i>	<i>full fleet</i>	<i>full fleet</i>
King: (22"x50")	\$ 360 /mo	\$ 300 /mo	\$ 260 /mo
Queen: (22"x50")	\$ 340 /mo	\$ 280 /mo	\$ 240 /mo
Tail: (22"x50") - special trim requirements apply	\$ 700 /mo	\$ 620 /mo	\$ 520 /mo

Advertisers are required to purchase the full fleet on a calendar month basis. While there are five coaches in this fleet only four are in service at any one time.

## BOARD OF DIRECTORS REPORT

**AGENDA DATE:** January 18, 2005

**AGENDA ITEM #:** 10

**DEPARTMENT:** Strategic Planning & Compliance **TYPE:** Action Item

**PREPARED BY:** Steve Maas

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*Signature*

**REVIEWED BY:** General Manager

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*GM Signature*

**SUBJECT:** Valley Express Performance Standards for 3-Year Pilot Program

### RECOMMENDATION:

Approve annual performance standards for the three-year pilot program for the new Valley Express regional commuter service.

### DISCUSSION:

#### Background

The MTD requested the Board of the Santa Barbara County Association of Governments (SBCAG) to approve an amendment to an existing MTD project, to provide operating assistance for the first three years of MTD's new Valley Express service from Solvang and Buellton to the South Coast (planned to begin February 22, 2005). The SBCAG Board approved this request at their October 21, 2004 meeting, and requested that MTD develop performance standards for the service for each year of the three-year pilot program. The performance standards will provide the MTD Board, the SBCAG Board, and other interested parties a means to measure the success of the Valley Express in meeting the goal of providing an effective and cost-efficient service.

#### Existing MTD Service Evaluation

The MTD's existing annual performance evaluation program ensures that the MTD's limited resources are utilized in the most effective and cost-efficient manner feasible. Each service operated by the MTD is examined using two performance indicators: a ridership measure to evaluate the effectiveness of the service, and a financial measure to evaluate its cost-efficiency. The indicators for each route are ranked by service type, and changes are recommended for all routes that fall into the fourth quartile in both measures.

#### Recommended Valley Express Service Evaluation

Staff recommends a similar annual performance evaluation program for the three-year pilot program of the Valley Express, utilizing two indicators: a ridership measure (passengers per trip) and a financial measure (subsidy per passenger).

Unlike the MTD's existing annual performance evaluation program, staff further recommends specific goals for each year of the three-year pilot program:

- **Year 1**

- 10 Passengers per One-Way Trip (20,400 Annual Total Passengers)
- \$6.90 Subsidy per Passenger (\$141,000 Annual Total Subsidy)

- **Year 2**

- 15 Passengers per One-Way Trip (30,600 Annual Total Passengers)
- \$3.60 Subsidy per Passenger (\$110,400 Annual Total Subsidy)

- **Year 3**

- 20 Passengers per One-Way Trip (40,800 Annual Total Passengers)
- \$2.00 Subsidy per Passenger (\$79,800 Annual Total Subsidy)

In addition to the annual goals, the MTD will consider trends within each year when evaluating the performance of the service. Other Valley Express data will be considered in addition to the two measures described above. FY 2004 MTD systemwide totals for these data are presented in Attachment 1. The MTD will also provide qualitative data from passenger surveys and employer contacts.

**ATTACHMENT:**

- MTD Systemwide Total Operating Data and Performance Indicators

**Attachment 1:  
MTD Systemwide Total Operating Data and Performance Indicators**

Line Item	FY 2004	FY 2003	% Change
<u>Operating Data</u>			
Ridership	7,004,009	7,005,474	0.0%
One-Way Trips	375,998	n/a	n/a
Peak Vehicles	71.00	n/a	n/a
Revenue Hours	178,003	180,244	-1.2%
Revenue Miles	2,351,305	2,419,260	-2.8%
<i>Cost</i>			
Operating Cost	\$15,617,144	\$14,297,761	9.2%
Depreciation	\$2,230,777	\$2,127,172	4.9%
<i>Fully-Allocated Cost</i>	<i>\$17,847,921</i>	<i>\$16,424,933</i>	<i>8.7%</i>
<i>Operating Revenue</i>			
Farebox Revenue	\$6,174,973	\$5,547,713	11.3%
Local Operating Assistance	\$356,744	\$366,343	-2.6%
<i>Total Operating Revenue</i>	<i>\$6,531,717</i>	<i>\$5,914,056</i>	<i>10.4%</i>
MTD Subsidy (Note 1)	\$11,316,204	\$10,510,877	7.7%
<u>Performance Indicators</u>			
Passengers per Trip	18.6	n/a	n/a
Passengers per Revenue Hour	39.3	38.9	1.2%
Passengers per Revenue Mile	3.0	2.9	2.9%
Revenue Miles per Revenue Hour	13.2	13.4	-1.6%
Revenue Hours per Peak Vehicle	2,507	n/a	n/a
Revenue Miles per Peak Vehicle	33,117	n/a	n/a
Operating Cost per Revenue Hour	\$87.74	\$79.32	10.6%
Operating Cost per Revenue Mile	\$6.64	\$5.91	12.4%
Operating Cost per Passenger	\$2.23	\$2.04	9.3%
Fully-Allocated Cost per Rev. Hour	\$100.27	\$91.13	10.0%
Fully-Allocated Cost per Rev. Mile	\$7.59	\$6.79	11.8%
Fully-Allocated Cost per Passenger	\$2.55	\$2.34	8.7%
MTD Subsidy per Revenue Hour	\$63.57	\$58.31	9.0%
MTD Subsidy per Passenger	\$1.62	\$1.50	7.7%
Fare per Passenger	\$0.88	\$0.79	11.3%
Farebox Ratio (Note 2)	39.5%	38.8%	1.9%

Note 1: "MTD Subsidy" is the difference between fully-allocated cost and total operating revenue.

Note 2: "Farebox Ratio" is the percent of operating cost (not including depreciation) recovered through the farebox.

Source: Santa Barbara Metropolitan Transit District, Strategic Planning.

To: Chair Britton  
Members of the Board of Directors  
From: Sherrie Fisher, General Manager  
Date: 01/14/05  
Subject: Administrative Update

**Valley Express service** will begin on Tuesday, **February 22**, 2005. (Monday, February 21<sup>st</sup> is a holiday.) The marketing plan for this service will be presented at Tuesday's board meeting along with performance standards recommended by MTD staff.

Five MTD drivers who live in the north county have bid on this service and are excited at the opportunity to begin their work day providing a commute for others rather than driving to work in their own car. These drivers are all exceptionally experienced and reliable employees. They are: Chris Cota, Don Jackson, Tony Ruiz, John Vasquez and Nancy Curtis.

**New driver** Joe Mairleitner completed training and passed his DMV driving test this week. He joins MTD with previous experience as a bus driver in Whistler, B.C. He praised MTD for the **professional level of driver training** as well as the excellent state of the equipment.

A number of MTD employees (5 drivers, 2 evening shift service workers, 3 staff members) have been disconnected from work this week due to the **closure of 101** at La Conchita. Fortunately, for the MTD employee group, this was merely an inconvenience. No one was injured or suffered loss of property.

Jerry Estrada was one of the staff members stranded in Oxnard, but able to work from home on many of the projects. Liz Hasch was the only Accounting staff members here on site and did an amazing job. In the same fashion, drivers and maintenance workers who were able to be here filled in extra for those who were absent.

Monday morning the Olive Street and Cota Street access to the terminal site were flooded. Staff did an amazing job of taking care of this site while they recovered buses in service that had problems due to the flooding. (Kudos to Dave Morse, Gary Johns, the morning drivers and maintenance employees, supervisors Carl Flores, Bill Morris, Paul Tumbleson, Maintenance staff members Mike Cardona, Steve Hahn and all the others who took care of business.

The Olive Street facility did suffer some minor storm damage, which included some flooding of the auditorium carpet (at the outside doorway) and some leaking from the upstairs balcony of the conference room. Mike Cardona, Shop Superintendent also reported that two of the staff cars interior's had been flooded (they have since been shampooed), an electric vehicle motor was lost in an older shuttle (EV6), cooling fans were damaged in two of the older electric shuttles and up to 10 pans (covering over front suspension) were lost in Nova buses as they waded through the flooded waters (in the MTD yard) on their way out to service.



We all **grieve for our neighbors** to the south and the loss of life, families and homes. Montecito Bank and Trust has initiated a fund raising project to help; donations can be made by check (payable to "Victims of La Conchita") and left at any branch.

A **six-month financial and budget analysis** is being completed for review at your next Tuesday board meeting. In addition, staff will be seeking authorization from the board for a **budget revision**. The spreadsheets on this have been delayed by the inability of Accounting staff to get in to the office. Depending on the freeway Friday, we may need to present the information to you Tuesday without much opportunity for time to read-ahead. If so, the revision can readily wait for your board meeting two weeks later to give you time to review before making a decision.

The **Marketing Coordinator** position has been filled. **Sarah Glover**, formerly of Cumulus and Univision has been chosen as an ideal fit for this position. She exhibits intuitive marketing sense combined with a strong sales background. She will join MTD on January 24<sup>th</sup> and immediately begin carrying out the marketing plan for the Valley Express service. Those board members who were in the Univision "Feliz Navidad" commercial will probably remember meeting Sarah at that taping.

Sarah joins another new employee in this department, John Andoh who is already busy reviewing MTD's system in his **transit analyst role**.

A **Request For Proposals** for the remediation of soil at the **Calle Real site** was released this week. A pre-bid conference was planned for Monday, but delayed this entire week due to the highway closure. This project will be moving along quickly.

MTD **health insurance** plans (under PacifiCare) are being amended to include coverage for domestic partners in the same manner as for married couples (AB2208). Specific requirements must be met such as financial interdependence and domestic partnership agreements.

In response to the road closures, the Condor (out of SB) and the Island Packer (out of Ventura) are providing shuttle services this Wednesday and Thursday for commuters. Paul Tumbleson suggested MTD provide these **commuters with shuttle service from the ships** as they arrived at the Sea Landing and then volunteered to drive the service himself. (Thanks to Paul for a great idea and for carrying it out in show of great community spirit.) Some of the stories of passengers served in this manner are truly heartwarming. Today, a couple traveled in to be in Santa Barbara because their baby is due (in fact, overdue) and their doctor is located here.

The Office of Emergency Services (OES) contacted me late Monday evening seeking assistance with evacuation of the homes above Cathedral Oaks near Turnpike. Driver Tom Albright and Supervisor Al Romero, Jr. both took buses

out to the area at the ready for emergency service. As it turned out, the buses were not actually used because residents all had vehicles they drove out of the area themselves to protect their cars. But the willingness and assistance of these two gentlemen was greatly appreciated. My compliments go out to both of them.

**Rest in Peace: Bill Crow** was a teacher and a coach for many years at Santa Barbara High School. During the same time period, he worked part-time at MTD as a driver and supervisor. After retirement from teaching, he became a part-time staff member here carrying out survey programs and providing the information for the National Transit Database. Mr. Crow died recently while visiting his daughter and her family in LA. He will be sorely missed by all of us who knew him as a gentleman and a friend.

**(Courtesy of the SB News Press)**

**CROW, William (Bill)**

Santa Barbara Athletic Hall of Famer, William (Bill) Crow, passed away on January 4, 2005, of heart failure. A Santa Barbara native, Bill was born on April 3, 1914, to Scottish immigrants James and Grace Crow. Bill took great pride in his Scottish heritage.

He graduated from Santa Barbara High School in 1932 after earning 7 varsity letters and being named the school's Athlete of the Year, a feat his two sons also accomplished - Bill in 1960 and Jim in 1964. He attended Santa Barbara State (UCSB) where he competed on the track team and met the love of his life, Louise Dalton, whom he married on August 25, 1937. They spent the first 7 years of his teaching and coaching career in Costa Mesa. In 1943, they returned to Santa Barbara and in 1949, he transferred from Santa Barbara Junior High School to Santa Barbara High School to teach Physical Education and coach. For 26 years he coached the track and field team, compiling a record of 164-24-3 in dual competitions. During one stretch the Dons won 103 straight dual meets and 11 of 17 Channel League Championships. Bill's coaching was not just confined to track and field. He started the Cross-Country team which he coached from 1952-1975, compiling a record of 116-51-2 while winning 5 league championships. While at SBHS, he also coached the basketball team for 7 years, taking them to the CIF playoffs twice. Old-timers will also remember him as the football announcer; he referred to himself as the "Golden Voice of Peabody Stadium."

Even after his retirement in 1975, he remained a Don at heart, with his favorite colors being Olive and Gold. In addition to teaching and coaching, he moonlighted at the Metropolitan Transit District. He finally "retired" from the MTD at age 85 in 1999.

Bill never lacked for hobbies-only time. His love of track and field led him to become an official with USA Track and Field, spending weekends working collegiate and open meets. All family vacations were planned around his passion for fishing. In retirement, he and Louise loved to spend the summer camping at Lake Siskiyou, CA where he could fish each day and enjoy the company of family the rest of the day. His local fishing spot, Lake Cachuma, is rumored to have a few less fish in it because of his weekly trips although the number is up for debate. Bill also was an avid model railroader and gardener. He loved sports of any kind. One of his and Louise's greatest gifts to their children and grandchildren was traveling to high school and college graduations, weddings, birthdays and to more sporting events than can be counted.

In addition to Louise, his wife of 67 years, Bill is survived by his children, Bill (Carol) of Bend, OR, James (Susan) of Eureka, CA, and Janet (Edward) Engesser of Huntington Beach, CA; grandchildren, Keri (Hank) Berry, Kirsti Crow, Jennifer (Tom) Burke, Christie (Ben) Cesar, Brian (Carey) Engesser, Justin Crow, Kim Engesser & Kevin Engesser; 7 great-grandchildren; 4 step-grandchildren & 5 step-great-grandchildren; and his brother & sister-in-law, Ian & Pat Crow.

Viewing will be held at the Welch-Ryce-Haider Funeral Home on Thursday, January 13, 2005, from 3:00pm to 6:00pm. Services will be held at the First Presbyterian Church on Friday at 1:00pm. In lieu of flowers the family is requesting donations to the Coach Bill Crow Memorial Scholarship Fund, c/o SBHS Alumni Association, 305 East Ortega, Santa Barbara, CA 93101.

## New Year's Day Analysis A Comparison of Calendar Year 2003, 2004, 2005 Ridership & Cost

Historically, New Year's Day ridership has been trending downward on Santa Barbara MTD fixed routes. Currently, MTD operates a Sunday level of service on New Year's Day. There was a proposal to discontinue New Year's Day service in fiscal year 2004, however that proposal was rescinded to see if more passengers would use MTD fixed routes on January 1, 2005.

In the three year comparison as noted on Table 1, January 1, 2004 had the lowest ridership of the surveyed years, down 13.9% from January 1, 2003.

<b>Table 1 - New Year's Day Service Comparison</b>			
Line #	2003	2004	2005
	Wednesday	Thursday	Saturday
1	426	333	738
2	488	436	632
3	92	88	178
5	133	119	114
6	617	691	764
8	63	63	128
11	790	832	1131
12	155	131	138
14	0	0	25
17	120	109	196
20	542	428	489
21x	0	0	3
22	42	19	50
23	113	93	164
24	97	151	239
25	110	73	91
30 (DWE)	1248	885	917
31 (DWE)	101	170	92
32 (DWE)	100	22	29
36 (Seaside)	126	66	63
<b>Total Passenger Trips</b>	<b>5,363</b>	<b>4,709</b>	<b>6,181</b>
Cost to Operate	\$20,182.97	\$22,035.02	\$25,384.18
Hours Operated	254.45	256.40	291.27
Operating Cost Per Hour	\$79.32	\$85.94	\$87.15
Ridership Change		-13.9%	21.5%

However on January 1, 2005, the ridership rebounded 21.5% over January 1, 2004 and 10.6% over January 1, 2003. All lines showed an increase over 2004 (except 5, 31 and 36), while majority of the lines (except 5, 12, 20, 25, 30, 31, 32 & 36) showed an increase over 2003.

Operation costs continue to increase from \$79.32 per operation hour in 2003 to \$87.15 per operation hour in 2005. (Not fully allocated).

New Year's Day 2005 passenger trips represent 58.4% of an average Sunday. This is up from 49.2% in 2004 and 56.2% in 2003. See Table 2 for details.

<b>Table 2 - Average Sunday Ridership</b>			
	2003	2004	2005 YTD
Average Ridership	9,551	9,562	10,575
New Years Day Ridership	5,363	4,709	6,181
Percent of Average Ridership	56.2%	49.2%	58.4%

<sup>1</sup> Additional service hours added in 2005 is the result of the addition of two lines (14-Montecito from Presidio Springs to the TC and 21x-Carpinteria Express).

**Santa Barbara Metropolitan Transit District**  
**Cash Report**  
**Board Meeting of January 18, 2005**  
**For the Period December 28, 2004 through January 10, 2005**

**MONEY MARKET**

**Beginning Balance December 28, 2004** **\$3,595,262.62**

Accounts Receivable	767,785.66	
Passenger Fares	78,665.45	
Interest Income	3,007.35	
Miscellaneous	276.54	
Advertising & Prepaid	18.91	
<b>Total Deposits</b>		<b>849,753.91</b>

ACH Pensions Transfer	(21,923.63)	
ACH Tax Deposit	(96,446.56)	
Workers Comp Trf Dec 04	(126,511.00)	
Payroll Transfer	(215,559.09)	
Operations Transfer	(344,728.43)	
<b>Total Disbursements</b>		<b>(805,168.71)</b>

**Ending Balance** **\$3,639,847.82**

**Total Cash and Investments as of January 10, 2005:** **\$3,639,847.82**

**COMPOSITION OF CASH BALANCE**

Working Capital	2,204,522.97	
WC / Liability Reserves	1,435,324.85	
<b>Total Cash Balance</b>		<b>\$3,639,847.82</b>

## Santa Barbara Metropolitan Transit District Accounts Payable

Check	Date	Company	Description	Amount	Voids
79848	12/16/2004	CHEVRON,USA		194.86	V
79955	1/7/2005	A.G.S. REBUILDERS, INC.	SERVICE VEHICLE PARTS/BUS PARTS	428.30	
79956	1/7/2005	AT&T WIRELESS	TELEPHONES	283.45	
79957	1/7/2005	AT&T	TELEPHONES	1,666.11	
79958	1/7/2005	ACE-ANA PROMOTIONS	EMPLOYEES RELATIONS	996.33	
79959	1/7/2005	BATTERY SYSTEMS OF OXNARD	BUS PARTS	1,195.48	
79960	1/7/2005	BLACK GOLD INDUSTRIES	OIL/ATF RECYCLING	194.00	
79961	1/7/2005	BOMAR SECURITY &	SECURITY SERVICES	842.25	
79962	1/7/2005	BOWMAN DISTRIBUTION	SHOP SUPPLIES	217.64	
79963	1/7/2005	BRITTON, JOHN	DIRECTOR FEES	180.00	
79964	1/7/2005	BROWN & BROWN/WHILT FATCH &	DIRECTORS INSURANCE	31,225.00	
79965	1/7/2005	BUTERA'S NORTH SIDE	SERVICE VEHICLE PARTS	78.61	
79966	1/7/2005	CAL-STATE RENT A FENCE	FENCE RENTAL	1,170.20	
79967	1/7/2005	CAR PARTS OF SANTA BARBARA	BUS PARTS & SUPPLIES	338.54	
79968	1/7/2005	C&R REPROGRAPHICS	DRIVERS WANTED CARCARDS	302.67	
79969	1/7/2005	CERTIFIED ENVIRONMENTAL	PROFESSIONAL SERVICES	5,455.95	
79970	1/7/2005	CENTRAL COAST CIRCULATION	BUS BOOK DISTRIBUTION	766.50	
79971	1/7/2005	COAST DRIVELINE AND GEAR, INC.	BUS PARTS	210.55	
79972	1/7/2005	COUNTY OF SANTA BARBARA -	TELEVISED BOARD MEETINGS	100.00	
79973	1/7/2005	CHEVRON	SERVICE VEHICLE FUEL	194.86	
79974	1/7/2005	COMMUNITY RADIO, INC.	GIB. SITE RENTAL	198.13	
79975	1/7/2005	CINTAS	FIRST AID SUPPLIES	68.03	
79976	1/7/2005	CORPORATE EXPRESS INC.	OFFICE SUPPLIES	444.81	
79977	1/7/2005	COAST TRUCK PARTS, INC.	BUS PARTS	1,245.80	
79978	1/7/2005	COX COMMUNICATIONS	INTERNET & CABLE TV	274.70	
79979	1/7/2005	CURVED GLASS DISTRIBUTORS	BUS WINDSHIELDS	3,600.00	
79980	1/7/2005	COVERALL OF MID-STATE CALIF.	JANITORIAL SUPPLIES/SERVICE	2,767.75	
79981	1/7/2005	DAL POZZO TIRE CORP.	TIRE REPAIR	15.00	
79982	1/7/2005	DEPARTMENT OF CHILD SUPPORT	PR RELATED	599.54	
79983	1/7/2005	BP DAVIS MANAGEMENT SRVC.	CONTRACT LABOR	2,500.00	
79984	1/7/2005	DAVIS JR., DAVID D.	DIRECTOR FEES	180.00	
79985	1/7/2005	DEAILE, MARY	PR RELATED	106.15	
79986	1/7/2005	DILLINGHAM TICKET CO.	BUS INSPECTION FORMS	2,183.12	
79987	1/7/2005	DISTRICT ATTORNEY-S.B.	PR RELATED	1,384.94	
79988	1/7/2005	DOCUPRODUCTS CORPORATION	COPIER LEASE/COPIES/SUPPLIES	614.75	
79989	1/7/2005	DONS INDUSTRIAL	BUS PARTS/SHOP SUPPLIES	94.97	
79990	1/7/2005	DOWNTOWN ORGANIZATION, INC.	ANNUAL LUNCHEON	105.00	

Check	Date	Company	Description	Amount	Voids
79991	1/7/2005	EBUS, INC.	BUS PARTS	267.06	
79992	1/7/2005	EMPLOYMENT DEVELOPMENT	PR RELATED	100.00	
79993	1/7/2005	FRUIT GROWERS LABORATORY,	STORMWATER TEST	388.00	
79994	1/7/2005	FAHNESTOCK, BRIAN	DIRECTOR FEES	180.00	
79995	1/7/2005	FLEMING & ASSOCIATES	WORKERS COMP ADMINISTRATION	7,500.00	
79996	1/7/2005	STATE OF CALIFORNIA	PR RELATED	729.59	
79997	1/7/2005	FRANK THOMPSON 2000	CALLE REAL PROPERTY	1,537.50	
79998	1/7/2005	GE GROUP LIFE ASSURANCE	LIFE INSURANCE	871.58	
79999	1/7/2005	GFI GENFARE, INC.	FAREBOX REPAIRS & PARTS	1,937.40	
80002	1/7/2005	GIBBS INTERNATIONAL TRUCKS	BUS PARTS/SUPPLIES	20,000.50	
80003	1/7/2005	GILLIG CORPORATION	BUS PARTS	1,017.71	
80004	1/7/2005	GOLETA WATER DISTRICT	UTILITIES	38.90	
80005	1/7/2005	GRAHAM CHEVROLET CORP.	SERVICE VEHICLE PART	85.00	
80006	1/7/2005	GOLETA VALLEY CHAMBER OF	MEMBERSHIP DUES	132.00	
80007	1/7/2005	HAYNES SALES	PRESSURE WASHER REPAIR	581.16	
80008	1/7/2005	HAYWARD LUMBER	SUPPLY TO SECURE CALLE REAL	318.66	
80009	1/7/2005	HOLLEY ENTERPRISES	BUS PARTS	283.60	
80011	1/7/2005	HOME IMPROVEMENT CTR.	BLD/GRD REPAIRS & SUPPLIES	323.98	
80012	1/7/2005	HUMANA INC.	STAFF DENTAL INSURANCE	2,455.30	
80013	1/7/2005	INDUSTRIAL RELATIONS DEPT.	ANNUAL SELF INSURANCE FEE	11,413.76	
80014	1/7/2005	UNITED STATES TREASURY	PR RELATED	225.00	
80015	1/7/2005	JOSEPH R. SMITH & ASSOCIATES	OFFICE SUPPLIES	448.04	
80016	1/7/2005	JERRY'S PLUMBING & HEATING	PLUMBING	2,700.00	
80017	1/7/2005	J n L GLASS INC.	REPLACE BUS WINDOWS	1,125.00	
80018	1/7/2005	LARA'S AUTO REPAIR	TURN BRAKE DRUMS	50.00	
80019	1/7/2005	LA CUMBRE FEED	SOFT WATER SYSTEM SUPPLIES	97.30	
80020	1/7/2005	MAR-CO INDUSTRIES INC	YARD SCRUBBER SUPPLIES	1,551.27	
80021	1/7/2005	MAXIMUS	MAINTENANCE SOFTWARE	56,320.00	
80022	1/7/2005	MC CORMIX CORP. (OIL)	LUBRICANTS	272.33	
80023	1/7/2005	MC CORMIX CORP. (GAS)	FUEL-SERVICE VEHICLES	2,103.62	
80024	1/7/2005	MGB INDUSTRIAL SUPPLY	BUS & SHOP SUPPLIES	365.29	
80025	1/7/2005	MILPAS RENTAL INC.	EQUIPMENT RENTAL	140.21	
80026	1/7/2005	MISSION LINEN SUPPLY	UNIFORM & LINEN SERVICE	2,873.74	
80027	1/7/2005	MOHAWK MFG. AND SUPPLY CO.	BUS PARTS	53.94	
80028	1/7/2005	MOUNTAIN SPRING WATER	SHOP & OFFICE SUPPLIES	1,181.95	
80029	1/7/2005	MOLDAVER, LEE	DIRECTOR FEES	120.00	
80030	1/7/2005	MUZICRAFT	TC CONTRACT MAINTENANCE	35.00	
80031	1/7/2005	NATIONAL AUTO BODY & PAINT	BUS REPAIRS	5,285.03	
80032	1/7/2005	NATIONAL INTERSTATE INS. CO.	LIABILITY INSURANCE	17,940.45	
80033	1/7/2005	NORTHWEST PUMP	FUEL ISLAND SUPPLY	154.72	

Accounts Payable Check Register

17-Jan-05

14:59



Check	Date	Company	Description	Amount	Voids
80034	1/7/2005	OFFICEMAX	DRIVERS/VM MANUALS	727.33	
80035	1/7/2005	OHIO CHILD SUPPORT PAYMENT	PR RELATED	126.85	
80036	1/7/2005	OTTIERI, ANN BRADY	PR RELATED	576.92	
80037	1/7/2005	P.C.J.L. INC.	SERVICE VEHICLE REPAIRS	28.81	
80038	1/7/2005	PERRY LINCOLN MERCURY	SERVICE VEHICLE PARTS / REPAIRS	105.00	
80039	1/7/2005	PACIFICARE OF CALIFORNIA	HEALTH INSURANCE	21,119.07	
80040	1/7/2005	PIP PRINTING	PRINTING SERVICES	376.05	
80041	1/7/2005	PB- RESERVE ACCOUNT	PREPAID POSTAGE	800.00	
80042	1/7/2005	POTIER, RICH	SHOP TOOLS	257.25	
80043	1/7/2005	POWER MACHINERY CENTER, INC.	BUS SUPPLIES	150.32	
80044	1/7/2005	PRAXAIR DISTRIBUTION, INC.	SHOP SUPPLIES	45.63	
80045	1/7/2005	QUEST DIAGNOSTICS	MEDICAL EXAMS	42.85	
80046	1/7/2005	RAYNE OF SANTA BARBARA INC.	REPAIR SOFT WATER SYSTEM	246.22	
80047	1/7/2005	REPUBLIC ELEVATOR, INC	ELEVATOR MAINTENANCE	195.00	
80048	1/7/2005	RODRIGUEZ, OLIVIA	DIRECTOR FEES	180.00	
80049	1/7/2005	ROCHA, SUZANNE	PR RELATED	406.08	
80050	1/7/2005	SAN BERNARDINO COUNTY	PR RELATED	395.54	
80051	1/7/2005	SANTA BARBARA BANK & TRUST	PR DEDUCTION	110.00	
80052	1/7/2005	SB COUNTY FEDERAL CREDIT	PR DEDUCTION	1,798.00	
80053	1/7/2005	SAS BAY ALARM CORP.	CONTRACT MAINT.	159.00	
80054	1/7/2005	SB STAFFING CORP.	TEMPORARY RECEPTIONIST	4,696.88	
80055	1/7/2005	SERVICE MASTER OF SANTA	TC JANITORIAL SERV./SUPPLIES	2,739.11	
80056	1/7/2005	SM TIRE, CORP.	BUS TIRE MOUNTING	332.50	
80057	1/7/2005	SHELDON, TOM	REIMBURSEMENT	694.74	
80058	1/7/2005	SO. CAL. EDISON CO.	UTILITIES	5,285.54	
80059	1/7/2005	SOUTHERN CALIFORNIA GAS	UTILITIES	66.35	
80060	1/7/2005	SB CITY OF-REFUSE/WATER	UTILITIES	1,454.11	V
80061	1/7/2005	TELONIC/BERKELEY	SHOP SUPPLIES	233.53	
80062	1/7/2005	TANK TEAM INC.	ANNUAL FUEL SYSTEM INSPECTION	463.75	
80063	1/7/2005	TEAMSTERS PENSION TRUST	UNION PENSION	59,162.05	
80064	1/7/2005	TRAPEZE SOFTWARE GROUP, INC.	SOFTWARE	17,640.00	
80065	1/7/2005	UNITED TRANSMISSION	BUS TRANSMISSIONS/PARTS	3,442.61	
80066	1/7/2005	UNISOURCE MAINT SUPPLY	BUS CLEANING & SHOP SUPPLIES	24.24	
80067	1/7/2005	UNIFORM CONNECTION INC.	UNIFORMS	3,289.11	
80068	1/7/2005	VALLEY POWER SYSTEMS, INC.	BUS PARTS	1,167.34	
80069	1/7/2005	VALLEY POWER SYSTEMS, INC.	BUS PARTS	396.19	
80070	1/7/2005	VENTURA STEEL, INC.	SHOP SUPPLIES	79.74	
80071	1/7/2005	VORTEX INDUSTRIES	REPAIR SHOP DOORS	1,684.43	
80072	1/7/2005	TEAMSTERS UNION LOCAL NO. 186	UNION DUES	7,244.80	
80073	1/7/2005	WITCHER,ALAN	TRAVEL REIMBURSEMENT	471.07	

Check	Date	Company	Description	Amount	Voids
80074	1/7/2005	WURTH USA WEST INC.	SHOP SUPPLIES	1,075.56	
80075	1/7/2005	SB CITY OF-REFUSE/WATER	UTILITIES	1,454.11	
				<b>346,377.40</b>	
			<b>Current Cash Report Voided Checks:</b>	1,454.11	
			<b>Prior Cash Report Voided Checks:</b>	194.86	
			<b>Grand Total:</b>	<b>\$344,728.43</b>	

## BOARD OF DIRECTORS REPORT

**MEETING DATE:** JANUARY 18, 2005

**AGENDA ITEM #:** 7

**TYPE:** INFORMATION

**PREPARED BY:** JERRY ESTRADA

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*Signature*

**REVIEWED BY:** GENERAL MANAGER

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*GM Signature*

**SUBJECT: 6-MONTH FINANCIAL & BUDGET ANALYSIS FOR FY 04-05**

### **DISCUSSION:**

#### **Executive Summary**

Attached are financial reports for first half of fiscal year 2004-2005. The financials reflect budgeted operating and capital expenditures as well as the acquisition of five over-the-road coaches for expansion service to the Santa Ynez valley. Milestone payments of approximately \$85,000 relating to the maintenance and planning software projects are included.

Service to the Santa Ynez valley had been budgeted to begin in September of 2004. However, due to a delay in approval of MTD's grant amendment the commencement of service was delayed until February of 2005; resulting in a decrease in anticipated revenue hours of approximately 1,088. Assuming a cost per hour of \$80.73<sup>1</sup>, the reduction in revenue hours translates into a savings of approximately \$87,800 for the current fiscal year.

The grant amendment includes federal capital funds that can be used to purchase the eleven (11) 29' Gillig buses currently leased by MTD. The Federal Transit Administration (FTA) is currently processing the amendment; FTA staff has indicated that the grant should be fully executed by late January 2005. However, FTA staff has informed MTD that lease payments made before grant execution (January 2005) cannot be considered as local share. Therefore, MTD will need to cover 11.5% of the purchase price with local funds. MTD budgeted approximately \$570,000 in lease payments this fiscal year, which shall satisfy the local share requirement.

Relieving MTD of the remaining lease payments of approximately \$2,000,000 over the next four years was a critical financial step. Failure to accomplish this objective would have resulted in immediate negative impacts to transit service in the south coast of Santa Barbara.

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<sup>1</sup> The hourly rate of \$80.73 is considered MTD's current actual marginal operating rate. The marginal operating rate is comprised of all operating, maintenance and passenger related expenses.

The maintenance and planning software projects have progressed well. New maintenance software went live in November of 2004. A few loose ends are still being worked out but overall the implementation was a success. Training for the planning software has begun and MTD anticipates implementation to be completed by the end of the fiscal year.

During the first six months of the fiscal year, the farebox ratio has increased to 40.2% versus 39.5% prior year. This includes fare structure changes that were implemented over one year ago. Due to the recently completed collective bargaining agreement as well as other unexpected expenditures the need for a mid-year budget revision is required. Recommended budget revisions will be presented to the Board separately.

### **Operating Expenses**

With operating expenditures of \$7.7 million through December, MTD is 1.5% or \$119,000 under budget. This includes an unexpected adjustment of \$190,000 in current year liability reserves to account for recent incidents. Significant changes in employee responsibilities due to reorganization have resulted in a number of variances and savings in wage and fringe benefit costs.

Scheduled driver wages are 2.4% under budget; this is partially attributable to the delay in commencement of the Santa Ynez valley service. However, overtime is significantly over budget. This is due in large part to difficulties in hiring qualified drivers. However, due to the size of the variance finance will conduct a detailed analysis to ensure the accuracy of future budgets. Driver health costs are \$54,000 over budget; reflecting the impact of the recently agreed to collective bargaining agreement. Workers' compensation costs were \$41,000 under budget. Mechanics and utility workers' wages and fringe benefits were below budget due to a delay in hiring. Fuel and lubricant costs were \$36,000 below budget. However, MTD had budgeted an increase of 30% due to rising fuel prices. Fuel costs versus prior year have increased by \$107,000.

Bus parts are \$56,000 under budget which reflects efforts by management to minimize stock levels whenever possible. Lease costs associated with bus tires is \$18,000 over budget. Finance will conduct an internal analysis of its tire management process and make adjustments as needed. Tickets and transfers were \$18,000 under budget but based on current stock levels staff anticipates finishing the year inline with the budget. Legal fees are \$27,000 under budget. This reflects the fact that the majority of MTD's current legal fees are related to the Calle Real Development project. As such, those costs are being capitalized.

### **Non-Subsidy Revenue**

#### Farebox Revenue

Operating revenues were \$3.1 million or \$111,000 over budget through December. Regular cash fares exceeded the budget by \$22,600 for the year while pass programs were \$74,700 over budget. The increase in pass programs largely reflects a significant

increase in the sale of 30-day passes, particularly Adults. The recent quarter marked the first full year since the implementation of the fare structure changes. Not surprisingly, the popularity of the pass programs has increased while cash paying customers are on the decline. Overall, revenues have exceeded budgeted expectations but staff will continue to monitor the shift between cash paying customers and discounted pass users. Revenue from UCSB is \$6,500 over budget, while SBCC fares are in-line with budgeted figures.

#### Non-Operating Income

Bus ad revenue, at \$165,628, is \$14,000 over budget. However, based on existing contracts MTD anticipates that it will finish the year in-line with the budget. Property tax revenue is consistent with the budget.

#### **Subsidies**

The financial reports indicate the actual level of TDA sales tax revenue received, rather than the level necessary to balance the budget. This is seen on the Operating and Capital Summary, which shows all sales tax received as operating revenue and the overall surplus/deficit for the fiscal year at the bottom of the page. This surplus/deficit also shows up at the bottom of the Balance Sheet.

MTD anticipates receiving \$2.7 million in federal operating assistance this year. These funds should be available to MTD by March of this year. LTF sales tax revenue (\$3,100,000) received through December is inline with the budget. SBCAG typically requests that local agencies receiving State Transit Assistance submit their requests by March. MTD has budgeted \$400,000 for this fiscal year and anticipates receipt by late April. Local operating assistance of \$154,000 has been booked; this relates to the City of Santa Barbara's contribution towards the Crosstown Shuttle service.

#### **Capital Projects**

MTD spent \$2.3 million on capital projects during the first half of the fiscal year, representing the acquisition of five (5) over-the-road coaches, milestone payments for business applications and drive-train replacements. The drive-train replacements consisted of scheduled in-frame replacements for MTD's fleet of Nova buses.